

SUPPLEMENTAL CONTRACT

FOR THE

ACQUISITION AND INSTALLATION OF SPECIAL ADDITIONAL PLANT
EQUIPMENT AND FACILITIES REQUIRED TO EXPEDITE
THE NATIONAL DEFENSE PROGRAM

This contract entered into this 15th day of September 1940, by the United States of America, hereinafter called the Department, represented by the contracting officer executing this contract, and the Federal Shipbuilding and Dry Dock Company, a corporation organized and existing under the laws of the State of New Jersey, and doing business at Kearny, in the State of New Jersey, hereinafter called the contractor, Witnesseth That:

WHEREAS, Pursuant to the provisions of existing laws, the Secretary of the Navy has awarded to the contractor the following contracts for the construction of the naval vessels specified hereunder in its shipbuilding plant located at Kearny, New Jersey:

- Contract NOD-1430 for the Construction of Destroyers Nos. DD155 and 456.
- Contract NOD-1432 for the Construction of Destroyers Nos. DD452 and 482.
- Contract NOD-1433 for the Construction of Destroyers Nos. DD445 to 448, inclusive, and DD465 and 466.
- Contract NOD-1497 for the Construction of Light Cruisers Nos. CL84 to 88, inclusive.
- Contract NOD-1500 for the Construction of Destroyers Nos. DD483 to 490, inclusive.
- Contract NOD-1503 for the Construction of Destroyers Nos. DD498 to 502, inclusive.
- Contract NOD-1504 for the Construction of Destroyers Nos. DD503 and 504.
- Contract NOD-1505 for the Construction of Destroyers Nos. DD505 and 506.

AND WHEREAS, Section 8 (b) of the Act of June 28, 1940 (Public, No. 671, 76th Cong., 3d sess.), entitled "An Act to Expedite National Defense, and For Other Purposes," provides that whenever the Secretary of the Navy finds it impossible to make contracts or obtain facilities to effectuate the purposes of this Act in the procurement or construction of items authorized in connection with National Defense he is authorized to provide, out of appropriations available in the Department for such purposes, the necessary buildings, facilities, utilities, and appurtenances thereto on Government-owned land or elsewhere, and to operate them, either by means of Government personnel, or otherwise; and

WHEREAS, The public exigency, in the national emergency declared by the President on September 8, 1939, to exist, makes it necessary, in the judgment of the Secretary of the Navy, that additional buildings, facilities, utilities, and appurtenances be provided at the plant of the contractor; and

WHEREAS, Pursuant to the aforesaid provisions of the Act of June 28, 1940 (Public, No. 671, 76th Cong., 3d sess.), the Secretary of the Navy finds it impossible to obtain facilities required to expedite the construction of the aforesaid naval vessels, except in the manner contemplated by that statute and as hereinafter provided; and

WHEREAS, The funds are available for the purposes of this contract in the First Supplemental National Defense Appropriation Act, 1941, approved June 26, 1940 (Public, No. 567, 76th Cong., 3d sess.), and the Second Supplemental National Defense Appropriation Act, 1941, approved September 9, 1940 (Public, No. 781, 76th Cong., 3d sess.);

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

ARTICLE 1. The contractor shall, subject to the terms and conditions of this contract, promptly erect, furnish and/or install the buildings, utilities, facilities, and appurtenances thereto, identified in Exhibit I attached to and forming a part of this contract and hereinafter sometimes collectively referred to as the Facilities.

Scope of contract.

ART. 2. The contractor shall as soon as practicable after the date hereof prepare and submit for approval by the Department, represented for this purpose by the Supervisor of Shipbuilding at the plant of the contractor, detailed plans and specifications covering each item identified in Exhibit I hereof and conforming to the limitations imposed by the maximum total estimated cost and other data contained in said Exhibit I. After obtaining approval, the contractor shall promptly proceed to acquire and assemble the necessary materials and equipment required to erect, furnish, and/or install each item identified in said Exhibit I in accordance with and approved plans and specifications, and shall diligently prosecute to completion the work of construction, erection, and/or installation of such item. Where practicable the contractor shall obtain from responsible firms or individuals, competent to furnish the materials or equipment or to undertake the work involved or any part thereof, competitive bids for all materials, equipment, or services required, and shall award orders therefor to the lowest satisfactory bidders. *Provided*, That, as a condition precedent to the award of any order hereunder, it shall obtain the approval of the Supervisor of Shipbuilding. *And provided further*, That the sum of all costs incurred by it in the performance of this contract shall in no event exceed the sum of the maximum total estimated costs shown in Exhibit I hereof unless such total estimated costs shall be increased in accordance with Article 4 hereof.

Approval of plans and specifications.

Chapters

Determination of costs

Records

Payments

CONTRACT

(c) When payment is to be made hereunder, the Secretary of the Navy, as a condition precedent to making such payments, may, in his discretion, require that affidavits satisfactory to him be furnished by the contractor showing what, if any, liens or rights in rem of any kind exist against such Facilities or the materials or equipment on hand for use in the construction thereof have been or can be acquired for or on account of any work done, or any materials or equipment already incorporated as a part of the Facilities, or on hand for that purpose; but it is hereby further stipulated, covenanted, and agreed by the contractor, for itself and on its own account and for and on account of all persons, firms, associations, or organizations furnishing labor and material for the Facilities, and this contract is made on the express understanding that no liens or claims in rem of any kind shall lie or attach upon or against the Facilities, or materials or equipment therefor, or any part thereof, or of either, for or on account of any work done, or any materials or equipment furnished, or of any contract made or equipment furnished therefor or on account of any work done, or any materials or equipment furnished therefor, or of any claim or demand of any kind against the Government, or against the contractor, or against any person, firm, association, or organization furnishing labor or material for the Facilities.